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Proposed Attorneys for Debtor in Possession  
CS360 Towers, LLC

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF CALIFORNIA  
SACRAMENTO DIVISION

In re:	) Case No.: 17-20731
	)
	) DC No.: TBG-2
	)
CS360 Towers, LLC, a California limited	) DECLARATION OF MARK D. CHISICK IN
liability company,	) SUPPORT OF MOTION FOR AUTHORITY
	) TO USE CASH COLLATERAL
Debtor in Possession.	)
	) Date: March 1, 2017
	) Time: 10:00 a.m.
	) Dept.: D
	) Judge: Hon. Robert S. Bardwil
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**DECLARATION OF MARK D. CHISICK IN SUPPORT OF  
MOTION FOR AUTHORITY TO USE CASH COLLATERAL**

I, MARK D. CHISICK, declare as follows:

1. I am over eighteen years of age, and am the manager of CS360 Towers, LLC, the debtor in possession ("Debtor in Possession") for this Chapter 11 bankruptcy case.

2. Based on my role as the manager for Debtor in Possession, I have personal knowledge of each of the facts set forth in this declaration and, if called to testify as a witness, I could and would competently do so.
3. On February 3, 2017 ("Petition Date"), I caused a voluntary petition for relief under Chapter 11 of the Bankruptcy Code to be filed on behalf of the Debtor in Possession. Debtor in Possession owns real property for rent to businesses and members of the public. Such rental units, which have been both residential and commercial, are situated in various locations.
4. Debtor in Possession holds title or an equitable interest pursuant to a buy-back agreement to various real properties, each of which is improved as described below:

Property Location	Type of Rental
500 N Street, Sacramento, CA, Unit 207	Residential Condominium
500 N Street, Sacramento, CA, Unit 307	Residential Condominium
500 N Street, Sacramento, CA, Unit 406	Residential Condominium
500 N Street, Sacramento, CA, Unit 501	Residential Condominium
500 N Street, Sacramento, CA, Unit 506	Residential Condominium
500 N Street, Sacramento, CA, Unit 507	Residential Condominium
500 N Street, Sacramento, CA, Unit 508	Residential Condominium
500 N Street, Sacramento, CA, Unit 509	Residential Condominium
500 N Street, Sacramento, CA, Unit 601	Residential Condominium
500 N Street, Sacramento, CA, Unit 602	Residential Condominium
500 N Street, Sacramento, CA, Unit 603	Residential Condominium
500 N Street, Sacramento, CA, Unit 604	Residential Condominium

1	500 N Street, Sacramento, CA, Unit 606	Residential Condominium
2	500 N Street, Sacramento, CA, Unit 607	Residential Condominium
3	500 N Street, Sacramento, CA, Unit 608	Residential Condominium
4	500 N Street, Sacramento, CA, Unit 609	Residential Condominium
5	500 N Street, Sacramento, CA, Unit 701	Residential Condominium
6	500 N Street, Sacramento, CA, Unit 705	Residential Condominium
7	500 N Street, Sacramento, CA, Unit 706	Residential Condominium
8	500 N Street, Sacramento, CA, Unit 804	Residential Condominium
9	500 N Street, Sacramento, CA, Unit 805	Residential Condominium
10	500 N Street, Sacramento, CA, Unit 808	Residential Condominium
11	500 N Street, Sacramento, CA, Unit 901	Residential Condominium
12	500 N Street, Sacramento, CA, Unit 904	Residential Condominium
13	500 N Street, Sacramento, CA, Unit 905	Residential Condominium
14	500 N Street, Sacramento, CA, Unit 907	Residential Condominium
15	500 N Street, Sacramento, CA, Unit 1005	Residential Condominium
16	500 N Street, Sacramento, CA, Unit 1008	Residential Condominium
17	500 N Street, Sacramento, CA, Unit 1010	Residential Condominium
18	500 N Street, Sacramento, CA, Unit 1105	Residential Condominium
19	500 N Street, Sacramento, CA, Unit 1106	Residential Condominium
20	500 N Street, Sacramento, CA, Unit 1110	Residential Condominium
21	500 N Street, Sacramento, CA, Unit 1205	Residential Condominium
22	500 N Street, Sacramento, CA, Unit 1207	Residential Condominium
23	500 N Street, Sacramento, CA, Unit 1407	Residential Condominium
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500 N Street, Sacramento, CA, Unit 1408	Residential Condominium
500 N Street, Sacramento, CA, Unit 1608	Residential Condominium
500 N Street, Sacramento, CA, Unit 101C	Commercial Unit
500 N Street, Sacramento, CA, Unit 102C	Commercial Unit
500 N Street, Sacramento, CA, Unit 103C	Commercial Unit
500 N Street, Sacramento, CA, Unit 104C	Commercial Unit
500 N Street, Sacramento, CA, Unit 105C	Commercial Unit
500 N Street, Sacramento, CA, Unit 106C	Commercial Unit
500 N Street, Sacramento, CA, Unit 107C	Commercial Unit
500 N Street, Sacramento, CA, Unit 108C	Commercial Unit
500 N Street, Sacramento, CA, Unit 109C	Commercial Unit

5. All of the above residential properties are presently being rented or available for rent. Most of the commercial properties are available for rent, however, the former manager and several of his associates/cohort continue to occupy the units without authority to do so, and without paying rent. An action in this court for injunctive relief is forthcoming, which should result in substantial rental income derived from those units.
6. I am in the process of opening a segregated debtor in possession bank account ("Rental Account") for the sole purpose of holding rents and proceeds from the Rental Properties, as they are collected. I will strictly account for the rents received from each of the Real Properties and the expenses paid for each of the Real Properties, by way of detailed monthly reports. I intend to report the amount of rents collected and the specific expenses paid as to

each of the Real Properties, and will report this in the Monthly Operating Reports filed with this court.

7. Based on a thorough review of title reports and Deeds of Trust on each of the Rental Properties, I am informed and on that basis believe that the following creditors hold security interests in the following properties and rents therefrom:

Party/Instrument	Unit(s)	Recorded Date	Assignment of Rents?
California Capital Loans, Inc./Deed of Trust	307, 506, 606, 608, 804, 805, 901, & 1106	10/24/2011	Yes
California Capital Loans, Inc./First Deed of Trust	607 & 1008	6/25/2013	Yes
Manmohan S. Passi/Second Deed of Trust	109C & 501	12/2/2014	Yes
Manmohan S. Passi/First Deed of Trust	601	5/31/2013	Yes
Manmohan S. Passi/Second Deed of Trust	808	12/3/2015	Yes
Michael Gilles/First Deed of Trust	101C & 102C	1/17/2012	Yes
Michael Gilles/First Deed of Trust	105C & 106C	7/13/2012	Yes
Passi Realty LLC/Deed of Trust	207	3/24/2015	Yes
Polycomp Trust Company/Second Deed of Trust	1207	8/25/2016	Yes
Ratib Norzei & Shomisa Naizi Norzei/First Deed of Trust	109C	6/22/2012	Yes
Ronald Elvidge/First Deed of Trust	107C & 108C	3/2/2015	Yes
Sacramento County Assessor/County Tax Lien	101C, 102C, 103C, 104C, 105C, 106C, 107C, 108C, 109C,	Various	No

	207, 307, 501, 506, 507, 508, 509, 601, 602, 603, 604, 606, 607, 608, 609, 705, 804, 805, 808, 901, 905, 907, 1005, 1008, 1010, 1105, 1106, 1205, & 1407		
Tri-Point Corporation/First Deed of Trust	406, 706, 904, & 1608	4/1/2016	Yes
Tri-Point Corporation/First Deed of Trust	808	6/6/2013	Yes
Tri-Point Corporation/Second Deed of Trust	1008	8/15/2013	Yes
Tri-Point Corporation/First Deed of Trust	1205	6/5/2012	Yes
Tri-Point Corporation/First Deed of Trust	1207	5/17/2012	Yes

8. Based on my knowledge of the condition and tenants for each of the Rental Properties, I have prepared a monthly cash flow projection for each of the Rental Properties subject to a Deed of Trust. The projection states my best estimate of the revenue and expenses associated with each of said encumbered Rental Properties; a true and correct copy of the Projection is attached as Exhibit 1 and is incorporated herein by reference.
9. Installments of rent are due from each tenant each month in advance. I intend to pay HOA dues, property management fees, property taxes, certain utilities, maintenance, repairs for ordinary wear-and-tear, and insurance expenses for each property.
10. In the ordinary course of business, it will be necessary to use the rents from tenants and the revenues generated by the Rental Properties to pay the expenses associated with the maintenance of each Rental Property. Failure to keep up the maintenance on each of the

1 Rental Properties would cause the value of the Rental Properties to go down and would also  
2 deter continued rental by qualified tenants.

3 11. As was the case before the Petition Date, the Rentals are used by tenants who pay rent each  
4 month. Ongoing expenses related to each of the Rental Properties will continue to come due  
5 in the ordinary course of business.

6  
7 12. I believe that continued payments of the expenses described is in the best interest of the  
8 bankruptcy estate, as it will enable Debtor in Possession to pay necessary expenses  
9 associated with such maintenance, which will preserve the value of each of the Rental  
10 Properties.

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13 I declare under penalty of perjury that the foregoing is true and correct.

14 Executed this 15th day of February, 2017, at Roseville, California.

15  
16 /s/ Mark D. Chisick

17 Mark D. Chisick  
18 as Manager of CS360 Towers, LLC  
19 the Debtor in Possession  
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